



Agenda Date: 4/3/02
Agenda Item: 3C

STATE OF NEW JERSEY
Board of Public Utilities

*Two Gateway Center
Newark, NJ 07102*

IN THE MATTER OF CABLEVISION OF)	<u>CABLE TELEVISION</u>
MONMOUTH, INC. - MILLSTONE FOR)	
APPROVAL OF THE FILING OF FCC FORM)	
1240, AN ANNUAL UPDATING OF THE)	
MAXIMUM PERMITTED RATE FOR THE)	ORDER ADOPTING STIPULATION
REGULATED BASIC CABLE SERVICE USING)	
THE OPTIONAL EXPEDITED RATE)	
PROCEDURES)	DOCKET NO. CR01110711

(SERVICE LIST ATTACHED)

BY THE BOARD¹:

On November 1, 2001 (Revised 1/18/02), Cablevision of Monmouth, Inc. - Millstone ("Petitioner") filed Federal Communications Commission ("FCC") Form 1240, Docket Number CR01110711, seeking approval by the Board of Public Utilities ("Board") for an annual rate adjustment in its maximum permitted rate resulting from an adjustment for inflation, programming costs and copyright fees pursuant to the Cable Television Consumer Protection and Competition Act of 1992, 47 U.S.C. § 543 *et seq.*, and provisions of the New Jersey Cable Television Act, N.J.S.A. 48:5A-1 et seq.

The Board, at its public meeting on January 10, 1996, in Docket Number CX95120636, approved the implementation of Optional Expedited Rate Procedures for the processing of certain filings made with the Office of Cable Television ("OCTV"). The intended purpose of these procedures is to grant final rates as quickly as possible to any cable company that chooses this process. In the spirit of cooperation based on the principles of Alternate Dispute Resolution ("ADR"), the discovery content is limited, thereby reducing the timeframe for settlement.

Petitioner chose to pursue its filing with the Board through the approved procedures. To that end, a pre-transmittal conference was held on February 5, 2002 and attended by representatives of the Petitioner, the Division of the Ratepayer Advocate and Board Staff. Petitioner agreed to waive its Office of Administrative Law ("OAL") litigation rights for this matter. It should be noted that Petitioner's waiver was a knowing, voluntary and intelligent waiver of its litigation rights at the OAL and that the waiver did not constitute a circumvention of the FCC rules nor did it affect

¹ Commissioner Carol J. Murphy did not participate in the deliberation or the vote on this matter.

Petitioner's right to appeal in that forum.

Petitioner notified its customers of the rate changes by way of a newspaper announcement informing them of their opportunity to submit written comments to the Board for a period of thirty days. The notice appeared in the Asbury Park Press on February 7, 2002. During this time, no comments were received.

After review by Staff and the Ratepayer Advocate of the supporting documentation, schedules and other discovery requests, a settlement conference was held on February 21, 2002. On March 12, 2002, the parties entered into a Stipulation of Settlement.

The Board, therefore, DIRECTS Petitioner to issue the refund due to all basic service subscribers pursuant to the Stipulation of Settlement within sixty (60) days of the date of this Order, and to inform the subscribers of the reason for the refund. Said refund shall be denominated "BPU Refund" on the subscribers' bills.

Petitioner, within ten (10) days of the final payment of the refund to the affected subscribers, is HEREBY ORDERED to notify the OCTV in writing of the date the refund was paid, the total amount refunded, the total number of subscribers receiving the refund and to certify that the refund has been completed.

The Board has reviewed the Stipulation of Settlement and FINDS it to be reasonable, in the public interest and in accordance with the law. Therefore, the Board HEREBY ADOPTS the Stipulation of Settlement (attached hereto) as its own, incorporating by reference the terms and conditions therein as if fully set forth at length herein.

The Board FURTHER ORDERS that should these cable systems, or any part thereof, merge, and/or migrate to another system, be upgraded and/or rebuilt, its ownership or control be otherwise sold or transferred to another entity, the basic service tier rate that will be eliminated or superseded as a result of the merger, migration, upgrade, rebuild, sale or transfer must be "trued-up" [47 C.F.R. § 76.922 (e) (3)]. The final true-up for the affected system, or any part thereof, should be calculated on FCC Form 1240 and begin where the last true-up period ended on its prior FCC Form 1240. This true-up calculation shall be filed with the Board when all the affected subscribers are being charged the rate resulting from the merger, migration, upgrade, rebuild, sale or transfer and may be filed in conjunction with the annual rate adjustment cycle (Form 1240) established as a result of said merger, migration, upgrade, rebuild, sale or transfer.

The cable systems, or any part thereof, may be subsequently deregulated as a result of a finding by the Board, the FCC or other party of competent jurisdiction, that these systems, or any portion thereof, is subject to effective competition. Should that be the case, the last basic service rate established as a result of a prior FCC Form 1240 or such subsequent rate calculation method as may be heretofore adopted by the Board, the FCC or other party of competent jurisdiction, prior to the deregulation of any rate that is now or may in the future be

subject to the Board's jurisdiction, must be trued-up for the period of time that the affected rates were subject to regulation by the Board.

DATED: April 4, 2002

BOARD OF PUBLIC UTILITIES
BY:

(signed)

JEANNE M. FOX
PRESIDENT

(signed)

FREDERICK F. BUTLER
COMMISSIONER

(signed)

CONNIE O. HUGHES
COMMISSIONER

ATTEST:

(signed)

KRISTI IZZO
BOARD SECRETARY

IN THE MATTER OF
CABLEVISION OF MONMOUTH, INC. - MILLSTONE
FCC FORM 1240 USING THE
OPTIONAL EXPEDITED RATE PROCEDURES

DOCKET NUMBER: CR01110711

Joseph Massa
Vice President, Regulatory Compliance
Cablevision Systems Corporation
1111 Stewart Avenue
Bethpage, New York 11714-3581

Lawanda Gilbert, Esq.
Deputy Ratepayer Advocate
State of New Jersey
Division of Ratepayer Advocate
31 Clinton Street - 11th Floor
Newark, New Jersey 07102

Elana Shapochnikov, Esq.
Assistant Deputy Ratepayer Advocate
State of New Jersey
Division of Ratepayer Advocate
31 Clinton Street - 11th Floor
Newark, New Jersey 07102

Andrea Crane
The Columbia Group
38C Grove Street
Ridgefield, CT 06877